

# Understanding Social Security

Presented by Linda Hamill

- Overview
- Medicare
- Retirement Benefits
  - Eligibility Requirements
  - Who else can receive on my work record
  - How are benefits determined
  - Understanding options concerning when to start benefits
- Survivor Benefits

# Visit SSA Website or Call!

*[www.socialsecurity.gov](http://www.socialsecurity.gov)*

*MY SOCIAL SECURITY*

-or-

1-800-772-1213



# Social Security's Online Services



- Retirement & Disability Applications
- Retirement/Survivors/Disability Planner
- Medicare Card Replacements
- Request a *Statement*
- Request a Benefit Verification Letter
- Change of Address

# History - Social Security's Programs

**1935**

**Retirement  
Insurance**

**1939**

**Survivors  
Insurance**

**1956**

**Disability  
Insurance**

# A Foundation for Planning Your Future





# Other Programs

**1965**

**Medicare**

**1972**

**Supplemental  
Security  
Income**

**2003**

**Medicare  
Part D**

# Who Can Get Medicare?

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**65 & older**

**-or-**

**Receiving Social Security disability  
benefits at least 24 months**

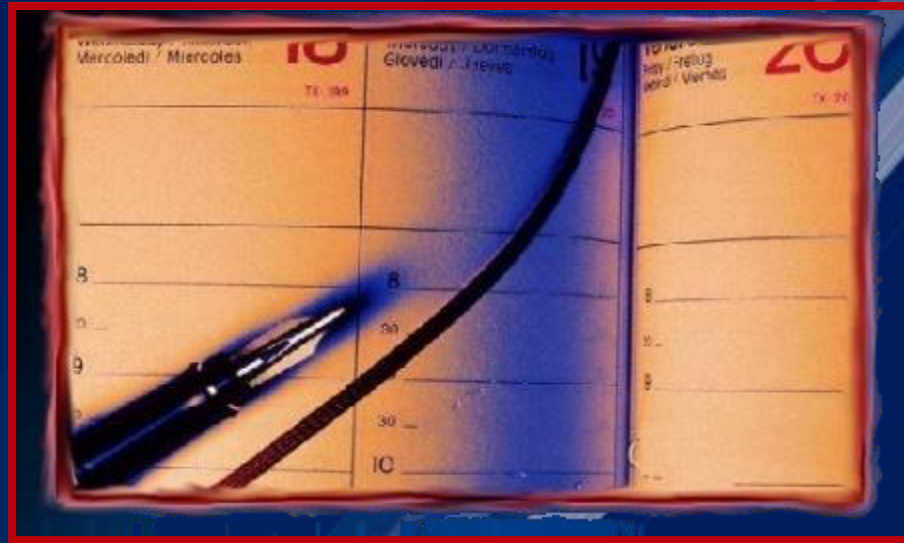
**-or-**

**Permanent kidney failure**

**-or-**

**Amyotrophic Lateral Sclerosis (ALS)**

# When Can I Sign Up for Medicare?



## Medicare Enrollment Periods:

- Initial - at age 65
- Special – over 65
- General - January-March



# Medicare Coverage

## **Part A Hospital Insurance**

- **Covers most inpatient hospital expenses.**  
**2018 Deductible \$1,340.00**

## **Part B Supplementary Medical Insurance**

- **Covers 80% doctor bills & other outpatient medical expenses after 1<sup>st</sup> \$183 in approved charges.**  
**2018 Monthly Standard Premium \$134.00**

## **Part D Medicare Prescription Drug Plan**

- **Covers a major portion of prescription drug costs for Medicare beneficiaries.**

# Monthly Part B Premiums - 2018

★ Individual	Couple	Premium
\$85,000 or less	\$170,000 or less	\$134.00
above \$85,000 up to \$107,000	above \$170,000 up to \$214,000	\$187.50
above \$107,000 up to \$160,000	above \$214,000 up to \$320,000	\$267.90
above \$160,000 up to \$214,000	above \$320,000 up to \$428,000	\$348.30
above \$214,000	above \$428,000	\$428.60

**For More Information**

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**1-800-MEDICARE**  
**(1-800-633-4227)**

**[www.medicare.gov](http://www.medicare.gov)**

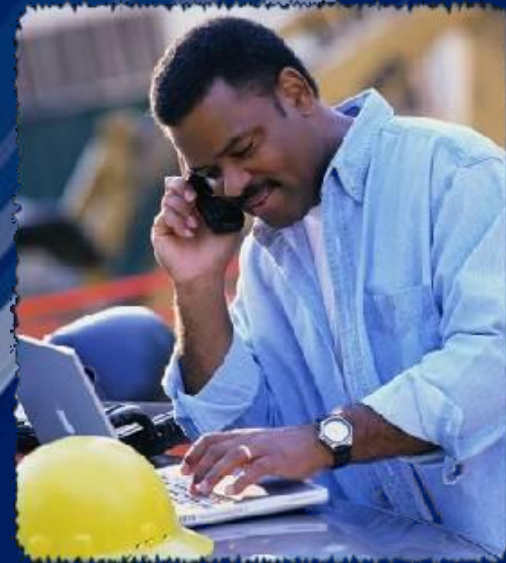
# Supplemental Security Income

## Who Can Get SSI?

- **Age 65 or older**
- **Blind - any age**
- **Disabled - any age**
- **Limited income**
- **Limited resources**

# Are You Eligible to Receive Social Security?

- **Are you old enough?**
  - **Age 62**
- **Have you worked enough?**
  - **10 Years (40 Credits)**



**Example: To earn a credit in 2018, you must earn at least \$1,320.00 (or \$5,280 to earn all four.) Earning 40 credits throughout your working life will qualify you for a retirement benefit.**



# In Addition to the Retiree, Who Else Can Get Benefits?

## Your Spouse

- **At age 62**
- **At any age if caring for child under 16 or disabled**
- **Divorced spouses may qualify**

## Your Child

- **Not married under 18**  
(under 19 if still in high school)
- **Not married and disabled before age 22**

# How Social Security Determines Your Benefit

## ★ Social Security benefits are based on earnings

- |               |   |
|---------------|---|
| <b>Step 1</b> | <b>Your wages are adjusted for changes in wage levels</b>         |
| <b>Step 2</b> | <b>Find the monthly average of your 35 highest earnings years</b> |
| <b>Step 3</b> | <b>Result is “average indexed monthly earnings”</b>               |

# Full Retirement Age

Year of Birth	Full Retirement Age
1937	65
1938	65 & 2 months
1939	65 & 4 months
1940	65 & 6 months
1941	65 & 8 months
1942	65 & 10 months
1943 – 1954	66
1955	66 & 2 months
1956	66 & 4 months
1957	66 & 6 months
1958	66 & 8 months
1959	66 & 10 months
1960 & later	67

# You Can Work & Still Receive Benefits-2018



<b>If You Are</b>	<b>You Can Make Up To</b>	<b>If You Make More, Some Benefits Will Be Withheld</b>
<b>Under Full Retirement Age</b>	<b>\$17,040/yr. (\$1,420/mo.)</b>	<b>\$1 for every \$2</b>
<b>The Year Full Retirement Age is Reached</b>	<b>\$45,360/yr. (\$3,780/mo.)</b>	<b>\$1 for every \$3</b>
<b>Month of Full Retirement Age and Above</b>	<b>No Limit</b>	<b>No Limit</b>

# Could I start receiving benefits at age 62?

- Are you working?

\$2,000 – Full retirement benefit

X 75% - Reduction age 62

\$1,500 Per month for 48 months = \$72,000.00

**\$72,000.00 divided by \$500 = 144 months**

Age 78 before you start loosing money



# If I wait until age 70?

- Age 70?
- \$2,000 Age 66- Full Retirement Age
- X 32% (8% per yr)
- \$2,640

Not Receiving \$96,000 between age 66 and 70 to gain \$640.00 per month.

\$96,000 divided by \$640 = 150 months

**82 ½ yrs old to break even**

# Who Can Get Survivors Benefits?

## Widow or Widower:

- **Reduced benefits at age 60**
- **If disabled as early as age 50**
- **At any age if caring for child under 16 or disabled**
- **Divorced widows/widowers may qualify**

## Your Child if:

- **Not married under age 18** (under 19 if still in high school)
- **Not married and disabled before age 22**

# Prepare for Your Retirement

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Thank you

Linda Hamill

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